

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2005-49-E - ORDER NO. 2005-171

APRIL 4, 2005

IN RE:	Application of Duke Power, a Division of)	ORDER APPROVING
	Duke Energy Corporation for Approval of the)	SALE OF PROPERTY
	Transfer and Sale of Property in North)	
	Carolina.)	

This matter comes before the Public Service Commission of South Carolina (the Commission) on the Application for transfer and sale of property in North Carolina filed by Duke Power (Duke or the Company). The Application notes that the property to be sold is known as the Salem Creek Operation Center located in Winston-Salem, Forsyth County, North Carolina in Duke Power's service area in that State. The property site includes operations that have been relocated to new facilities, consolidated into other Company facilities or moved to more appropriate space, thereby rendering this property surplus and no longer required for the Company's current utility operations. The property consists of 42.07 acres with five significant structures including a garage, maintenance building, operations center, and two office buildings, and various small storage sheds. The property is proposed to be sold to East Coast Capital, Inc., a North Carolina corporation for \$1,861,314, which is in excess of both the book and appraised values. The depreciated book value of the property is \$1,423,424 and it has a market appraisal of \$1,584,000. The Office of Regulatory Staff has reviewed the filing, and has no objection to the Company's request.

We would note that the original cost of the property being sold will be credited as a reduction of the amount carried upon the books of the Company under Account 101,

“Electric Plant in Service.” The difference between the sales price and the original cost of the non-depreciable property will be applied to Account 421.10, “Gain on Disposition of Property” or Account 421.20, “Loss on Disposition of Property.”

We have examined this matter, and believe that the Application should be approved as filed. Accordingly, we find the following:

FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. Duke Power has filed an Application for transfer and sale of property in North Carolina.
2. The property to be sold is known as the Salem Creek Operation Center located in Winston-Salem, Forsyth County, North Carolina.
3. The property site includes operations that have been relocated to new facilities, consolidated into other Company facilities or moved to more appropriate space, thereby rendering this property surplus no longer required for the Company’s current utility operations.
4. The property consists of 42.07 acres with five significant structures including a garage, maintenance building, operations center, and two office buildings, and various small storage sheds.
5. The property is proposed to be sold to East Coast Capital, Inc., a North Carolina corporation for \$1,861,314, which is in excess of both the book and appraised values.
6. The depreciated book value of the property is \$1,423,424, and it has a market appraisal of \$1,584,000.

7. The Office of Regulatory Staff has reviewed the filing, and has no objection to the Company's request.

8. The original cost of the property being sold will be credited as a reduction of the amount carried upon the books of the Company under Account 101, "Electric Plant in Service."

9. The difference between the sales price and the original cost of the non-depreciable property will be applied to Account 421.10, "Gain on Disposition of Property" or Account 421.20, "Loss on Disposition of Property."

10. The Application should be approved as filed.

ORDER

The Application for transfer and sale of property in North Carolina as described above is approved as filed. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

/s/
Randy Mitchell, Chairman

ATTEST:

/s/
G. O'Neal Hamilton, Vice-Chairman

(SEAL)

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